

SEP 12 '11 -3 56 PM

U.S. DEPARTMENT OF TRANSPORTATION BOARD

FIRST UNION RAIL

One O'hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018-4214

Tel 847.318.7575
Fax 847.318.7588
www.firstunionrail.com

VIA UPS 2nd DAY AIR

September 7, 2011

Chief Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W., Suite 100
Washington, DC 20423-0001

Re: Memorandum of Lease Agreement

Dear Section Chief:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and one (1) copy of a Memorandum of Lease Agreement, dated August 23, 2011, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Surface Transportation Board under Recordation Number 22581.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Cascade and Columbia River Railroad Co.
7411 Fullerton Street
Suite 300
Jacksonville, FL 32256

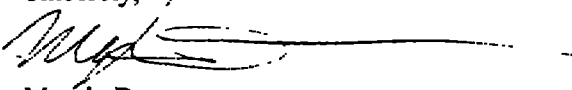
A description of the railroad equipment covered by the enclosed document is for twenty-six (26) boxcars; having NOKL marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: **Memorandum of Lease**

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5397.
Thank you for your cooperation in this matter.

Sincerely, 7



Marcia Dunne
Senior Rail Documentation Specialist

Enclosures

(CSCD181)

ASSIGN. NO.: CSCD181

SEP 12 '11 -3 56 PM

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 23rd day of August, 2011, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, Cascade and Columbia River Railroad Co. ("Lessee"), a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of June 15, 1997, as amended, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 174 to the Lease (the "Rider") as described in more particular on Exhibit A attached hereto, effective as of April 1, 2011 and subject to the terms, conditions and provisions of the above mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: [Signature]
Name: K.A. Dombrowski
Title: DIRECTOR OF DOCUMENTATION

By: [Signature]
Name: John J. Thomas
Title: President

Executed on this 23rd day of August, 2011

[CORPORATE SEAL]

STATE OF ILLINOISCOUNTY OF COOK

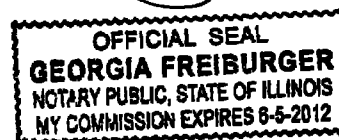
I, GEORGIA FREIBURGER a Notary Public of the County and State aforesaid, certify that JOHN J. THOMAS, personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 23rd day of August, 2011

My Commission Expires:

6-2012
(Notary Public)

[Signature]
Notary Public



LESSEE:

CASCADE AND COLUMBIA RIVER
RAILROAD CO.

ATTEST:

By: _____
Name: JAMES SHEFFELBINE
Title: VP - MARKETING

By: David McCloud
Name: David McCloud
Title: Director Fleet Mgt.

Executed on this 18TH day of August, 2011

[CORPORATE SEAL]

STATE OF Florida
COUNTY OF Duval

I, Bonnie D. Hatfield, a Notary Public of the
County and State aforesaid, certify that James Sheffieldbine, personally
appeared before me this day and acknowledged his due execution of the foregoing Memorandum of
Lease.

WITNESS my hand and official stamp or seal, this 18th day of August, 2011.

Bonnie D. Hatfield
Notary Public

My Commission Expires:

10/30/2011
(Notary Public)

BONNIE D. HATFIELD
Notary Public, State of Florida
My comm expires Oct. 30, 2011
Comm No. DD 730296

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Twenty-six (26)

DESCRIPTION OF CARS: Boxcars

CAR NUMBERS:

NOKL 570258
NOKL 570278
NOKL 570280
NOKL 570281
NOKL 570287
NOKL 570289
NOKL 570293
NOKL 570312
NOKL 570319
NOKL 570322
NOKL 570350
NOKL 570371
NOKL 570376
NOKL 570384
NOKL 570392
NOKL 570397
NOKL 570420
NOKL 570547
NOKL 570554
NOKL 570558
NOKL 570562
NOKL 570565
NOKL 570616
NOKL 570682
NOKL 570686